



DIVISION OF  
ENFORCEMENT

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
100 PEARL STREET, SUITE 20-100  
NEW YORK, NY 10004-2616

May 29, 2025

**By ECF**

Hon. Stacey D. Adams  
United States Magistrate Judge  
District of New Jersey  
2 Federal Square  
Newark, NJ 07102

**ORDER**

Re: *SEC v. National Realty Investment Advisors, LLC, et al.*, 2:22-cv-6066 (EP-SDA)

Dear Judge Adams:

Plaintiff Securities and Exchange Commission ("SEC") respectfully submits this status letter pursuant to the Court's March 3, 2025 Order. (Dkt. 65.)

By way of background, on October 13, 2022, the SEC filed a civil complaint in this matter against defendants National Realty Investment Advisors LLC ("NRIA"), Rey E. Grabato II ("Grabato"), Daniel Coley O'Brien ("O'Brien"), Thomas Nicholas Salzano ("Salzano"), and Arthur S. Scutaro, a/k/a Arthur S. Scuttaro ("Scuttaro"), and relief defendants Olena Budinska, and Jamie A. Samul, a/k/a Jamie Salzano. (Dkt. 1.) One day prior, on October 12, 2022, the United States Attorney's Office for the District of New Jersey ("USAO") filed the parallel criminal case, captioned *United States v. Thomas Nicholas Salzano, a/k/a "Nick Salzano," and Rey E. Grabato II*, 22-cr-690 (EP) (D.N.J.). Also on October 13, 2022, in a related parallel criminal case, the defendant Scuttaro pled guilty to an Information charging him with the same conspiracy as alleged in 22-cr-690. *United States v. Arthur S. Scuttaro, a/k/a "Arthur Scutaro,"* 22-cr-692 (EP) (D.N.J.).

On December 16, 2022, the United States Attorney's Office for the District of New Jersey ("USAO") moved to intervene and stay discovery in this action until the conclusion of the USAO's parallel criminal case. (Dkt. 21.) On February 6, 2023, the Court granted the USAO's motion to stay discovery in this civil action until further order of the Court. (Dkt. 37.) On March 1, 2023, at the USAO's request, the Court clarified that the Defendants' deadlines to file answers or otherwise respond to the Complaint are also stayed until further order of the Court. (Dkt. 39.)

On February 27, 2024, the defendant Salzano pleaded guilty to securities fraud and other related offenses in the USAO's parallel criminal case. *See* 22-cr-690 (EP), Dkts. 84, 86. On November 12, 2024, pursuant to his guilty plea, Salzano was sentenced to a term of 144 months' imprisonment. *See* 22-cr-690 (EP), Dkt. 102. Salzano is currently incarcerated at the FCI Fort Dix. Although Salzano is unrepresented by counsel in the civil action, the SEC has engaged in settlement discussions with him.

With respect to the defendant Scutaro, on April 29, 2025, pursuant to his guilty plea in 22-cr-692, he was sentenced to 46 months' imprisonment and is scheduled to surrender in June 2025. The SEC has engaged in settlement discussions with him and anticipates reaching a settlement within 90 days. Counsel for Scutaro has indicated that he has no objection to continue the stay while settlement negotiations are ongoing.

The SEC is also currently in settlement discussions with defendant O'Brien and hopes to also reach a settlement with him within 90 days. Counsel for O'Brien also does not object to continue the stay while settlement negotiations are ongoing.

Although the SEC is not currently in communication with defendant Grabato, the SEC understands that he is currently a fugitive in the Philippines. The SEC will confer with the USAO before any request to lift the stay as to Grabato.

With respect to the Defendant NRIA, the SEC is simultaneously filing a notice of voluntary dismissal of its claims against NRIA pursuant to FRCP 41(a)(1)(A)(i). The SEC understands that NRIA is now functionally defunct, ceased operations, and filed a plan of liquidation to distribute the bulk of its remaining assets to investors and creditors.

Because the SEC anticipates reaching a settlement agreement with one or more parties within the next 90 days, SEC Counsel respectfully proposes to submit an additional status report on August 27, 2025. To the extent that the SEC has not reached settlement terms with one or more defendants, the SEC anticipates requesting that the stay to be lifted in September 2025.

Respectfully submitted,

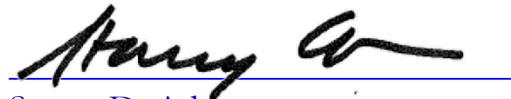
/s/ Oren Gleich

Oren Gleich  
Trial Counsel

cc: Counsel of record by ECF

The highlighted request is **GRANTED**.

**SO ORDERED.**

A handwritten signature in black ink, appearing to read "Stacey D. Adams", is written over a horizontal blue line.

Stacey D. Adams

United States Magistrate Judge

Dated: June 3, 2025.